

## SUMMARY STATEMENT

*Harrentsian v. Hill*, Docket No. 43627

In a case arising out of Ada County, the Idaho Supreme Court affirmed a district court's enforcement of a constructive trust. In 2008, Harrentsian ("Appellant") transferred \$400,000 to his girlfriend, Ms. Correa, with the intention that she would return it at a later time. Ms. Correa transferred \$101,500 of the \$400,000 to her parents ("Respondents"). Respondents used the money to purchase a house (the "Property") in Boise. Respondents made improvements to the Property with their own money, that is, money independent from the \$101,500 transfer. In 2009, Appellant sued Ms. Correa in California to recover the \$400,000. The California court entered judgment in favor of Appellant and imposed a constructive trust upon the \$400,000. In 2015, Appellant filed this lawsuit to recover the Property acquired by Respondents with money subject to the constructive trust.

The Idaho Supreme Court affirmed the district court's decision to enforce the constructive trust. First, the Idaho Supreme Court found that the district court did not err in finding that Respondents were not aware, nor did they have reason to be aware, that the funds were wrongfully obtained by Ms. Correa at the time they purchased the Property and made improvements thereto. In so finding, the Idaho Supreme Court held that the district court did not err in concluding that Appellant was entitled to the Property, subject to an equitable lien in the amount of \$33,689.08 to account for Respondents' improvements to the Property. Second, the Idaho Supreme Court found that although the district court abused its discretion by excluding certain trial exhibits, such abuse of discretion was waived by Appellant because he failed to demonstrate that a substantial right had been violated. Third, the Idaho Supreme Court found that the district court did not abuse its discretion in providing Appellant with 180 days to satisfy the equitable lien against the Property. Attorney's fees and costs on appeal were awarded to Respondents because the appeal was pursued frivolously, unreasonably, and without foundation.